

**GOVERNMENT OF INDIA
SCIENCE AND TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:3674
ANSWERED ON:25.08.2006
NORMS FOR BIO TECH SECTOR .
Badiga Shri Ramakrishna

Will the Minister of SCIENCE AND TECHNOLOGY be pleased to state:

- (a) Whether the empowered Group of Ministers on biotechnology has cleared a proposal to relax norms for the biotechnology sector in agriculture and health in order to encourage entrepreneurship, innovation and greater participation from small investors;
- (b) If so, the details thereof; and
- (c) The steps proposed to be taken by the Government to increase the turnover of biotechnology during the next two years?

Answer

MINISTER OF SCIENCE AND TECHNOLOGY AND MINISTER OF EARTH SCIENCES(KAPIL SIBAL)

(a) & (b) There is no separate empowered Group of Ministers on biotechnology, however an empowered Group of Ministers (eGOM) while considering the provisions for setting up of Special Economic Zone (SEZ) and the SEZ Act and Rules considered the proposal for relaxations in biotechnology sector and have relaxed provisions in terms of both the land area and built-up area requirement for biotechnology sector to the tune of 10 hectares and 40,000 square metres. This would encourage entrepreneurship, innovation and greater participation of small investors in the areas of biotechnology in general and health and agriculture in particular.

(c) The Government has taken special measures to promote the Biotechnology industry and to facilitate increase in turnover of biotech sector. Initiatives have been taken to provide an enabling environment for industrial growth such as exemption of biotech sector from compulsory licensing; permitting 100% FDI in the sector; reducing the area of SEZ to bring it at par with the IT sector; providing fiscal incentives to in-house R&D recognized industries in terms of exemption of custom duty on capital goods, reduction in import duty and 150% weighted deduction against expenditure incurred on in-house R&D.